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8 UNITED STATES BANKRUPTCY COURT
9 CENTRAL DISTRICT OF CALIFORNIA
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11 In re

12 CHAPTER 7 JOINT PETITION
13 INCOME TAX RETURNS
14

GENERAL ORDER 97-04

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16 WHEREAS, as a result of the holding in In re Knobel, 167
17 B.R. 436 (Bkrtcy. W.D. Tex. 1994), the Internal Revenue Service
18 is requiring that separate individual tax returns be filed for
19 both husband and wife in all jointly filed Chapter 7 bankruptcy
20 cases unless there has been a "substantive consolidation" of the
21 case under 11 U.S.C. § 302(b), and

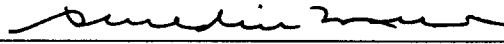
22 WHEREAS, this individual tax filing procedure is of limited
23 benefit to a small number of jointly filed petitions and a
24 financial burden to the majority of such cases, and

25 WHEREAS, in In re Ageton, 5 C.B.C.2d 463, 14 B.R. 833
26 (1982), the Bankruptcy Appellate Panel of the 9th Circuit held

1 that joint debtor estates which include community property should
2 be consolidated unless to do so would prejudice the creditors or
3 the administration of the estate.

4 **IT IS HEREBY ORDERED** that all Chapter 7 bankruptcy petitions
5 of spouses hereinafter filed under one case number in the U.S.
6 Bankruptcy Court for the Central District of California shall
7 automatically be deemed substantively consolidated under
8 11 U.S.C. § 302(b), thereby allowing the filing of one joint
9 estate income tax return, unless the court otherwise orders.

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11 DATED: 8/5/97

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14 **GERALDINE MUND**
15 Chief Judge, United States
16 Bankruptcy Court
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